GOVERNMENT OF INDIA
HEALTH AND FAMILY WELFARE
LOK SABHA

UNSTARRED QUESTION NO:1035
ANSWERED ON:22.07.2016
Irregularities in NHM
Azad Shri Kirti (JHA);Mullappally Shri Ramachandran;Simha Shri Prathap;Swain Shri Ladu Kishore;Tiwari Shri Manoj Kumar

Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

(a) the details of funds allocated and released under National Health Mission (NHM) during the last three years, mission/ State/UT-wise;

(b) whether the Government proposes to increase the funding to States/UTs in order to increase the number of specialist, if so, the details thereof;

(c) whether the Government has taken note of received complaints regarding financial irregularities under NHM if so, the details thereof and the action taken thereon, State/UT-wise;

(d) whether the Government has put in place a monitoring mechanism to ensure that the money is spent for the intended purpose under NHM, if so, the details thereof and if not, the reasons therefor; and

(e) the corrective steps taken by the Government in this regard?

Answer

ANSWER
THE MINISTER OF STATE IN THE MINISTRY OF HEALTH AND
FAMILY WELFARE
(SHRI FAGGAN SINGH KULASTE)

(a): A statement indicating release under National Health Mission (NHM) during the last three years, States/UT-wise is annexed.

(b): Under the NHM, technical and financial support is provided to States/UTs to strengthen their healthcare systems, including support for engagement of specialists on contractual basis, based on the requirements posed by the States/UTs in their Programme Implementation Plans (PIPs), within the resource envelope available for a particular State/UT. To facilitate engagement of specialists, attractive remuneration including hard to reach area allowance and performance based incentives are approved so that specialists finds it attractive to join public health facilities.

(c): Certain instances of financial irregularities of NHM funds like mis-appropriation, misuse of funds, diversion of funds from one pool to another without authorization, excessive and infructuose purchase, defalcation and improper maintenance of control registers, etc. have come to light through Audit reports in States like Uttar Pradesh, Assam, Bihar, Haryana, Jammu & Kashmir, Odisha and Rajasthan. The State Governments are asked to take action to address the deficiencies.

(d) & (e): Public health being a state subject, primary responsibility of implementation and monitoring of schemes under NHM rests with the State Governments. However, the Central Government has been doing financial monitoring of the schemes under NHM through following mechanisms:

The Ministry requested the Controller & Auditor General (CAG) for conducting annual transaction audits of the National Health Mission (NHM) in all the States in order to identify the existing gaps, facilitate independent monitoring and timely corrective measures so that a quality and timely audit assessment becomes available to assist the State Governments in undertaking remedial measures and achieving the targets of NHM. The CAG has agreed to undertake annual audit and performance audit under NRHM for the period from 2011-12 to 2015-16 has been initiated at Ministry and in 28 States/UTs.

Besides provision of annual CAG audit, following corrective steps have been put in place by Ministry of Health & Family Welfare to ensure that the money is spent for the intended purpose under NHM:
â€¢ Examination of quarterly Financial Monitoring Reports by the States;
â€¢ Annual Statutory Audits by CAG empanelled major CA audit firms;
â€¢ Concurrent Audits;
â€¢ Visits by the teams of Financial Management Group of the Department to States for periodical review;
â€¢ Annual visits to States by Common Review Mission, which inter-alia, looks at financial systems and mechanisms.
â€¢ Financial review by Institute of Public Auditors of India (IPAI) of NHM in several States.

â€¢ Implementation of Public Financial Management System (PFMS) developed by the office of CGA of Ministry of Finance for monitoring and management of funds on just in time basis.
â€¢ Integrated monitoring visits by senior officials of Ministry and National Health System Resource Centre.